

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MOUNTAIN WATER)	
DISTRICT FOR A CERTIFICATE OF PUBLIC)	CASE NO.
CONVENIENCE AND NECESSITY TO CONSTRUCT)	2000-381
PURSUANT TO THE PROVISIONS OF KRS 278.023)	

O R D E R

On August 1, 2000, Mountain Water District ("Mountain District") submitted an application for a Certificate of Public Convenience and Necessity to construct a 1,000,000 gallon ground storage tank, a 300,000 gallon ground storage tank, and approximately 17 miles of water mains and related appurtenances. This project will provide new service to approximately 400 additional customers. Project funding is a \$522,151 Appalachian Regional Commission ("ARC") grant, a Coal Severance Tax Grant in the amount of \$588,000, an Abandoned Mines Land grant in the amount of \$2,050,000, and a \$24,300 contribution from the Applicant.

Mountain District's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U. S. Department of Agriculture or the U. S. Department of Housing and Urban Development and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on August 1, 2000, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Mountain District is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.
2. Mountain District shall notify the Commission one week prior to the actual start of construction and at the 50-percent completion point.
3. Mountain District shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 5(1), Mountain District shall take immediate action to maintain the level of service in conformance with the regulations of the Commission.
4. Mountain District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 31st day of August, 2000.

By the Commission

ATTEST:


Executive Director